

~~SECRET~~TOP SECRET

During the last two years new intelligence has been used for

- (1) the upgrading of certain items, for example boron from IL/III to IL/I, mercury from IL/III to IL/I, lithium from CCHL to AE list,
- (2) agreement to downgrade toluol from IL/II to IL/III and to de-control low grade bearings then on CCHL,
- (3) for presently unresolved negotiations for exchange of servomechanisms, converters for analogue computers, TV transmitters, ionosphere recording apparatus and bare copper wire,
- (4) for continuation of items in their present categories, and
- (5) in connection with the tremendous increase of exceptions shipments.

S/TC collaborates very closely with OSI and is kept informed by them of new scientific developments that are pertinent to the field of export controls.

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